

From: craigshaynak@compuserve.com@inetgw
To: Microsoft ATR
Date: 1/25/02 5:25pm
Subject: Microsoft Settlement

To Whom it May Concern:

I am writing to express my support for Microsoft in its attempts to reach a settlement on the antitrust action.

It pains me to see valuable resources in the government and at Microsoft wasted on litigation that ultimately has backfired and ceased innovation. As a computer consultant, I am not an agent of Microsoft, but like many others I use their products and development tools in my work. For years people have had a choice concerning which operating system and browser to use on their office and home computer. Did Microsoft strong-arm dealers into selling its operating system with the hardware? How can this be? Consumers in the real world demand and need an operating system for these machines at purchase time. "OEM" licenses grow out of CONSUMER DEMAND, not the demands of a software giant. Does Microsoft benefit? Of course they do. How does this hurt innovation? It is in Microsoft's perpetual interest to innovate because the demands of consumers grow each year; new peripheral and hardware technology demands new operating systems and browsers as well as new applications to handle the merging of these technologies. In fact, Microsoft depends on the new revenues from new versions of its operating system. A well-known criticism of Microsoft is that they charge for upgrades and new OS versions. However, people buy these updates despite the fact that it is still possible to perform all personal and business work running Windows 95 on older machines. Why do people buy the new systems? It usually to take advantage of new hardware or third party technology. Does SUN or AOL Netscape suffer? Simply put, there is no AOL without Windows. There is no Netscape browser without Windows. It is utterly ridiculous for these companies to claim injury while they ride on the backs of the Microsoft operating system themselves. Could operating systems be better? Of course they can, but creating an OS for machines made by a myriad of manufacturers and sold in an infinite number of configurations by various retailers is a large task. I do not see SUN or AOL creating operating systems that are better. I do not see the R&D dollars going towards creating a better mousetrap. This is because litigation has replaced innovation at these companies. Would it be difficult to create an operating system that individuals and businesses would flock to? Yes, of course; unless this OS could run existing business applications and handle existing hardware. This is a tall order and until someone else comes along, Microsoft is filling the need. Not only that, Microsoft helps developers use its technology in offering free seminars and classes. Bookshelves are filled with "How To" manuals on MS development because it is easier to build on Windows than to create an OS from scratch. This is just smart business practice on the part of Microsoft, not unfair.

A case in point to illustrate the Microsoft scenario: Coca Cola and Pepsi have demanded exclusive contracts with supermarkets and fast food chains for years with a minimal amount of antitrust action against them. When Royal Crown was pushed out of these markets, they claimed that Coca Cola and Pepsi engaged in unfair business practices. How often do you see RC in these markets now? Litigation cannot change consumer demand. For all intent and purpose, two cola manufacturers held a monopoly. Do you think supermarkets and McDonalds complained that they had to stock Coke? Of course not.

As far as the packaging of the Internet Explorer browser with the Operating System goes, it is unbelievable that this simple concept of integrating the browser with the OS has escaped the Justice Department and the judicial system. An Operating System IS A BROWSER for your hard drive. With technology tending towards Wide Area Networks and Internet services, it is naturally the next step to integrate and combine the browser with the OS. This innovation and simplification has been destroyed by the government and judging from the recent action taken by AOL Netscape, it will be even further delayed if not killed altogether.

I hope you understand that I do not work for Microsoft. I regularly use IBM technologies with many clients including Lotus Notes, AS400 and DB2 databases. These products and services have their place in the market too. In fact, I believe XML technology stems from IBM, if I am not mistaken. How has Microsoft reacted to this? Well, rather than sue IBM or other creators of XML, Microsoft has INTEGRATED and ADOPTED this technology and INCORPORATED it in its new products. Sounds like a smart business practice to me.

So, if AOL wants to make a browser, let them. If SUN wants to recapture some portion of a market they never had, let them create their own OS. That is what Apple has been doing for years. Do they have the large part of the market? No, but they are innovative and successful in their market. In this time of recession and economic recovery, please do us all a favor and help redirect the resources being wasted in this antitrust action.

Craig Shaynak
CRS Consulting
(323) 661-6927
(213) 499-0972 pager

CC: Kurt Eric Schenk (E-mail)